

PRESTON DuFAUCHARD
California Corporations Commissioner
ALAN S. WEINGER
Deputy Commissioner
MARISA I. URTEAGA-WATKINS (SBN236398)
Corporations Counsel
Department of Corporations
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Sacramento, California 95814
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Attorneys for Complainant

BEFORE THE DEPARTMENT OF CORPORATIONS
OF THE STATE OF CALIFORNIA

In the Matter of)	FILE NO: 603-8908
THE CALIFORNIA CORPORATIONS)	
COMMISSIONER,)	SETTLEMENT AGREEMENT
)	
Complainant,)	
v.)	Date: August 17-18, 2011
)	Time: 9:00AM
VALUE HOME LOAN, INC.)	Place: 320 West Fourth Street, Room 630
)	Los Angeles, CA 90013
Respondents.)	
)	
)	
)	

This Settlement Agreement ("Agreement") is entered into between Value Home Loan, Inc. ("VHL"), and the California Corporations Commissioner ("Commissioner") (collectively, the "Parties"), and is made with respect to the following facts.

RECITALS

A. VHL is a finance lender licensed by the Commissioner pursuant to the California Finance Lenders Law of the State of California (California Financial Code §22000 *et seq.*) ("CFL"). VHL is a California corporation who currently holds license number 603-8908 issued under the CFL for the location at 6301 Owensmouth, Suite 240, Woodland Hills, California, 91367 ("License").

B. On or about March 17, 2011, the Department issued to VHL the following documents:
 (1) Notice of Intention to Enter An Order Revoking Finance Lenders License of Neil D. Gitnick, dba, Value Home Loan, Inc. Issued Pursuant to California Financial Code Section 22714 and Barring Neil D. Gitnick From Any Position Of Employment, Management or Control of Any Finance Lender Pursuant to California Financial Code Section 22169; (2) Accusation In Support of Revoking Finance Lenders License of Neil D. Gitnick, dba, Value Home Loan, Inc. Issued Pursuant to California Financial Code section 22714 and Barring Neil D. Gitnick From Any Position Of Employment, Management or Control Of Any Finance Lender Pursuant to California Financial Code section 22169; and (3) Statement to Respondent, collectively known herein as the "Action". A copy of the Action is attached and incorporated herein as "Exhibit 1".

C. VHL timely requested a hearing on the Action as permitted by law, on or about March 30, 2011. VHL voluntarily waived its right to proceed to hearing within thirty (30) days of VHL's request for hearing on or about April 4, 2011. This matter was to be adjudicated before the Office of Administrative Hearings in or about August 17-18, 2011.

D. It is the intention of the Parties to resolve this matter without the necessity of an administrative hearing or any other litigation.

NOW, THEREFORE, for good and valuable consideration, and the terms and conditions set forth herein, the Parties agree as follows:

TERMS AND CONDITIONS

1. This Agreement is entered into for the purpose of judicial economy and expediency.

2. VHL acknowledges its right to a hearing under the CFLL and it hereby waives the right to any appeal, or other right to review, if any, which may be afforded pursuant to the CFLL, the California Administrative Procedure Act, the California Code of Civil Procedure, or any other provision of law, and by waiving such rights, it consents to the Agreement as final.

3. VHL, in and for purposes of entering into this Agreement, neither admits nor denies the allegations set forth in the Action. VHL agrees to the terms of this Agreement in settlement of the Action.

4. It is the intent and understanding between the parties that this Agreement, shall not be binding or admissible against VHL in any action(s) brought against VHL by third parties or the Commissioner.

5. VHL hereby agrees to surrender License No. 603-8908 issued to VALUE HOME LOAN, INC. by the Commissioner. The surrender shall become effective immediately upon the execution of this Agreement by both parties.

6. VHL hereby withdraws its request for administrative hearing issued to the Department in or about March 30, 2011.

7. The Commissioner reserves the right to bring any unknown or future actions against VHL or any of its officers, partners, employees or successors for any and all unknown or future violations of the CFLL. This Agreement shall not serve to exculpate VHL or any of its officers, partners, employees or successors from liability for any and all future violations of the CFLL.

8. The Parties hereby acknowledge and agree that this Agreement is intended to constitute a full, final and complete resolution of the Action. The Parties further acknowledge and agree that nothing contained in this Agreement shall operate to limit the Commissioner's ability to assist any other agencies with any administrative, civil or criminal prosecution brought by any such agency against VHL, or any other person or entity, based upon any of the activities alleged in this matter or otherwise.

9. Each of the Parties represents, warrants, and agrees that in executing this Agreement it has relied solely on the statements set forth herein and has placed no reliance on any statement, representation, or promise of any other party, or any other person or entity not expressly set forth herein, or upon the failure of any party or any other person or entity to make any statement, representation or disclosure of anything whatsoever. The Parties have included this clause: (1) to preclude any claim that any party was in any way fraudulently induced to execute this Agreement; and (2) to preclude the introduction of parol evidence to vary, interpret, supplement, or contradict the terms of this Agreement.

10. This Agreement, including the attached Exhibit, is the final written expression and the complete and exclusive statement of all the agreements, conditions, promises, representations, and

1 covenants between the Parties with respect to the subject matter hereof, and supersedes all prior or
2 contemporaneous agreements, negotiations, representations, understandings, and discussions between
3 and among the Parties, their respective representatives, and any other person or entity.

4 11. In that the Parties have had the opportunity to draft, review and edit the language of
5 this Agreement, no presumption for or against any party arising out of drafting all or any part of this
6 Agreement will be applied in any action relating to, connected, to, or involving this Agreement.
7 Accordingly, the Parties waive the benefit of California Civil Code section 1654 and any successor or
8 amended statute, providing that in cases of uncertainty, language of a contract should be interpreted
9 most strongly against the party who caused the uncertainty to exist.

10 12. This Agreement shall not become effective until signed by VHL and delivered by all
11 Parties. The Commissioner shall file this Agreement with the Office of Administrative Hearings five
12 (5) business days after execution by all Parties.

13 13. This Agreement may be executed in any number of counterparts by the Parties and when
14 each party has signed and delivered at least one such counterpart to the other party, each counterpart
15 shall be deemed an original and taken together shall constitute one and the same Agreement.

16 14. No amendment, change or modification of this Agreement shall be valid or binding to
17 any extent unless it is in writing and signed by all of the Parties affected by it.

18 15. The headings to the paragraphs of this Agreement are inserted for convenience only and
19 will not be deemed a part hereof or affect the construction or interpretation of the provisions hereof.
20 This Agreement shall be construed and enforced in accordance with and governed by California law.

21 16. Each party covenants that they possess all necessary capacity and authority to sign and
22 enter into this Agreement. Each party warrants and represents that such party is fully entitled and duly
23 authorized to enter into and deliver this Agreement. In particular, and without limiting the generality of
24 the foregoing, each party warrants and represents that it is fully entitled to enter into the covenants, and
25 undertake the obligations set forth herein.

26 17. VHL acknowledges that this Agreement is a public record.

27 18. The Parties each represent and acknowledge that it is executing this Agreement
28 completely voluntarily and without any duress or undue influence of any kind from any source.

1 19. Each party represents, warrants, and agrees that it has received or been advised to seek
2 independent legal advice from an attorney with respect to the advisability of executing this
3 Agreement.

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20. Notice shall be provided to each party at the following addresses:

If to Respondent to:

Neil D. Gitnick,
Value Home Loans, Inc.
6301 Owensmouth, Suite 240,
Woodland Hills, California, 91367

If to the Commissioner to:

Marisa I. Urteaga-Watkins, Esq.
Department of Corporations
1515 K Street
Sacramento, CA 95814

IN WITNESS WHEREOF, the Parties hereto have approved and executed this Agreement on the
dates set forth opposite their respective signatures.

Dated: 8/15/11 PRESTON DuFAUCHARD
California Corporations Commissioner

By _____

ALAN S. WEINGER
Deputy Commissioner
Enforcement Division

VALUE HOME LOAN, INC.

Dated: 8/15/11 By _____

NEIL D. GITNICK, AUTHORIZED OFFICER
of VALUE HOME LOAN, INC.